

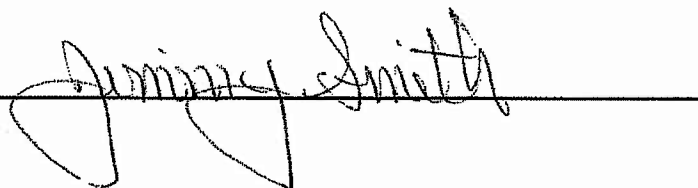
Humboldt County is requesting participation in the Enhanced Anti-Fraud Program and is submitting a proposed Plan and Data as described above, by December 1, 2009.

Board of Supervisor Approval

Approved on November 10, 2009 by the County Board of Supervisors

Name of Approver: Jimmy Smith, Chairperson

Signature of Approver:

A handwritten signature in black ink, appearing to read "Jimmy Smith", is written over a horizontal line.

Name of County District Attorney Representative: Wesley Keat, Assistant DA

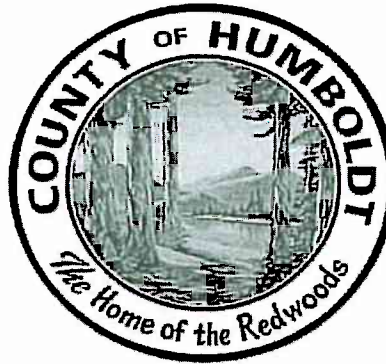
County District Attorney Representative Telephone#: (707) 445-7411

Email Address: wkeat@co.humboldt.ca.us

Name of County Welfare Department Representative: Katherine Young, Director

County Welfare Department Representative Telephone#: (707) 476-4700

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Humboldt County
Department of Health & Human Services
Social Services Branch

In-Home Supportive Services
Enhanced Anti-Fraud Program Plan Proposal
Supplement

Purpose of Supplement

The purpose of this supplement is to provide clarification on the issues raised by the California Department of Social Services (CDSS) regarding Humboldt County's original In-Home Supportive Services Enhanced Anti-Fraud Program Plan submitted in December 2009. Per CDSS letter dated December 21, 2009, five elements of the original plan required further explanation or clarification on the following issues:

- Plan must differentiate between current fraud activities and proposed fraud activities
- Plan must identify how overpayments/underpayments will be reduced
- Plan must specify how the county will partner with CDSS
- Plan must state that program integrity efforts will begin within 60 days of receipt of funding
- Plan must commit to report relevant data to CDSS by August 1, 2010

This supplement addresses all of the issues listed above by providing further elaboration on each topic.

Introduction

Humboldt County Department of Health and Human Services (DHHS) has been proactive in the prevention and detection of In-Home Supportive Services (IHSS) fraud. As early as June 2002, as part of its IHSS Quality Assurance (QA) component, Humboldt County identified fraud as a focus and concern of its IHSS Program. DHHS, Social Services Branch (SSB), was charged with developing an effective QA program component. Paramount to QA development was the Department's concern involving rising caseloads and increasing costs coupled with the goal of ensuring that the citizens who most need services would continue to be able to obtain them. Fraud prevention and investigation was viewed as a cornerstone of the larger QA component. SSB's first step in meeting its goal was to initiate a multi-disciplinary workgroup which included the Special Investigations Unit Supervisor to create and develop appropriate QA and anti-fraud strategies. Prior to strategy selection, the Adult Enhanced Committee met with the California Department of Social Services (CDSS) to review strategies for their appropriateness and effectiveness. The following is an example of anti-fraud strategies that were implemented:

- Addition of a Welfare Investigator and Vocational Assistants to monitor and investigate for possible provider or recipient fraud.
- Established a protocol agreement with the California Department of Health Services (CDHS) Investigation Section that allows the County Special Investigation Unit (SIU) to investigate IHSS fraud independently.
- Increased contact between the Department and clients, opened efficient lines of communication between staff and management, and improved collaboration between partners.

The strategies mentioned above have proven successful. The welfare fraud investigators assigned became experts in IHSS regulations and proactively investigated cases referred by IHSS workers. The IHSS investigations are labor intensive and it has been difficult to retain a dedicated IHSS fraud investigator in light of the consistently rising workloads. With additional anti-fraud funding, the County of Humboldt will be able to increase and ensure a dedicated welfare fraud investigator to the IHSS unit, develop additional anti-fraud procedures and purchase equipment that will further improve the Department's ability to prevent, detect, and investigate IHSS fraud.

Current Fraud Activities

Early Fraud Detection

Humboldt County IHSS utilizes numerous tools and resources to help ensure that fraud is detected as early as possible, and includes the following:

- Regular review of reports generated by the Case Management, Information, and Payrolling System (CMIPS) and other sources such as:
 - Out of State Warrants report used to monitor IHSS payments made to individuals residing outside of California.
 - Provider 300+ Hours report used to identify providers who are claiming excessive hours.
 - No Timesheet Activity for 60 Days report used to identify providers who have had no timesheet activity for long periods of time.
 - Medi-Cal Suspended and Ineligible Provider List used to identify current or potential care providers who have been disqualified from working in IHSS.
 - Death Match Report and County Death Listing used to identify clients who have passed away and ensure hours are not claimed after their date of death.
- Review of local law enforcement and public record reports used to identify recipients and/or care providers who are incarcerated and are claiming hours not worked on their time sheet, or that they did not commit any offenses that disqualify them from participating in the IHSS program.
- Unannounced home visits by a vocational assistant to ensure services are being provided.
- Unannounced home visits by a vocational assistant or In Home Supportive Service case worker when fraud is suspected.
- Review of timecards by payroll staff to ensure accuracy and identify potential fraudulent activity.
- Line staff and supervisor review of assessments with a focus on identifying potential fraud issues.

Fraud Prevention

Humboldt County IHSS emphasizes fraud prevention by educating recipients and care providers about program regulations and the County's focus on fraud prevention activities. Current fraud prevention activities include:

- Vocational assistants provide orientations to new recipients and their care providers in their own homes to review their rights and responsibilities within the IHSS program.
- IHSS payroll staff is proactive in explaining to recipients and care providers correct methods of completing timecards and reconciling errors.
- Placing inactive care providers on "leave" status to prevent claiming of hours not worked.
- Distribution of various County developed informing notices regarding IHSS rules and recipient/care provider responsibilities.
- Providing calendars to each recipient/provider to assist with scheduling work activities and to assist in accurate timecard completion.

If any of the above areas indicate potential fraud a referral to SIU.

Fraud Investigation

Humboldt County Special Investigations Unit (SIU) has a protocol agreement with the California Department of Health Services Investigation Section to allow Humboldt County SIU to independently conduct IHSS fraud investigations. This has allowed Humboldt County to respond to potential fraud activity in an efficient and timely manner. SIU adheres to the following process when investigating potential IHSS fraud:

- Receives fraud referral from IHSS staff, reviews it for thoroughness and completeness, and logs into a spreadsheet tracking system.
- Referral is assigned to an IHSS investigator who performs a background information search utilizing the following tools and resources as appropriate:
 - Relevant SSB program computer systems to review files for pertinent information
 - Property tax records
 - Internet searches

- Credit reports
- Employment Development Department records
- Department of Motor Vehicle records
- As necessary, surveillance is conducted to witness and determine level of fraudulent activity.
- As necessary, analyze recipient and/or care provider signatures on IHSS timecards and other legally binding paperwork.
- Interview suspected recipient and/or care provider regarding fraud issues.
- Interview potential third party witnesses.
- As necessary and when authorized to do so, obtain other records relevant to the investigations such as bank statements and medical records.
- As necessary, obtain and execute search warrants.

At the conclusion of the investigation, SIU will inform IHSS of the outcome of the investigation and close the case if no fraudulent activities were discovered. If fraudulent activity was confirmed by the investigation, the case is forwarded to the SSB Revenue and Recovery office for collection of overpayments, or referred to the District Attorney (DA) for prosecution if the overpayment exceeds \$1000 or has other extenuating factors.

It is important to note that the Humboldt County DA will only act to prosecute offenders and does not participate in the investigation itself. However, the DA and SIU will amend their present Memorandum of Understanding (MOU) to include IHSS fraud. SSB will pursue an MOU specific to IHSS for the prosecution of fraud following the standards developed for other SSB programs in the future.

Proposed Fraud Activities

When approved, the additional anti-fraud funding will be utilized to increase program integrity by improving the efficiency of current anti-fraud activities and increasing anti-fraud resources. This will be achieved with the addition of two dedicated staff members to the IHSS fraud activities, specifically a Welfare Fraud Investigator and Senior Office Assistant and other anti-fraud resources.

Current program integrity efforts will continue and enhanced efforts will commence within 60 days of receipt of funding.

Early Fraud Detection

- Addition of a Senior Office Assistant position to improve efficiency by consolidating many of the anti-fraud responsibilities into one position, including but not limited to:
 - Tracking and compiling data, outcome measures, and cost savings related to fraud investigations including but not limited to:
 - Number of referrals to SIU and the resulting outcomes
 - Number of fair hearing and the decision results
 - Number of referrals for prosecution and conviction rates
 - Number of unannounced home visits and the outcomes
 - Number of overpayments calculated
 - Providing assistance to staff reviewing IHSS assessments for potential fraud
 - Assisting staff in the processing of fraud referrals
 - Act as liaison with CDSS regarding anti-fraud activities
 - Reviewing and processing of Department of Justice (DOJ) Criminal Offender Record Information (CORI).

- Reviewing of local Law Enforcement and Public Records reports to cross compare offenders with active recipient and care providers to determine potential fraudulent activities.
 - Gathering and providing relevant IHSS documentation requested by SIU or the DA
- Ongoing trainings for case workers, payroll staff, and support staff regarding fraud detection and referrals.
- Revision of the Care Provider Orientation to include additional information on how care providers can detect if their recipient is acting fraudulently and provide local examples of fraudulent activity and reporting requirements.
- Additional staffing (see below) to help alleviate fraud related workloads of caseworkers, payroll, and support staff so they have more time for direct interaction with recipients and care providers. This increased interaction will provide workers with more exposure to the potential fraudulent activities of recipients and care providers. An example would be increasing the number of VA Cold Calls per month.
- Purchasing of portable Live Scan equipment to:
 - Increase direct contact with care providers in the field and improve opportunity to detect fraudulent activity.
 - Ensure access and accuracy for care providers that serve recipients living in remote areas of the county (25% of Humboldt County recipients and care providers live in remote or isolated areas of the county).
- Purchasing of office equipment necessary for improving the efficiency of anti-fraud activities.

Fraud Prevention

- Expanding the in-home VA orientation with new recipients to include more in-depth review of fraud issues, and training on identifying potential fraudulent activities of care providers.
- Development and distribution of county generated informing notices designed to educate recipients and care providers about the consequences of fraud and how to report fraudulent activity.
- Purchasing of Live Scan equipment to:

- Centralize care provider enrollment and improve opportunity to reinforce the consequences of fraudulent activity by increasing face to face contact between the department and care providers.
- Prevent potential fraud on initial timecard submissions by improving processing time.

Fraud Investigation

- Addition of a dedicated SIU officer specifically dedicated to IHSS fraud investigations. As mentioned above, Humboldt County SIU performs IHSS fraud investigations independently. As such, an SIU officer assigned to IHSS fraud investigations full time will increase response times and improve the thoroughness of investigations.
- Purchasing of specialized equipment necessary for improving the efficiency and effectiveness of fraud investigations.

Reduction of Overpayments/Underpayments

Humboldt County IHSS will reduce the occurrences of overpayments and underpayments by implementing the following:

- County expansion of the Care Provider Orientation with detailed information regarding fraud detection and overpayment collections.
- More in-depth review of timecards by payroll staff to ensure accuracy and completeness.
- Increased distribution of informing notices on timecard completion.
- Staff trainings regarding accurate calculation of hours, processing of timecards, improving accuracy of assessments.
- Increased emphasis on discussion of anti-fraud issues during initial assessments, reassessments, VA cold calls, and VA orientation sessions, and during the Live Scan process for care provider background checks.
- Improved collaboration with the DHHS Revenue and Recovery unit.
- Form a workgroup to review procedures.

Collaboration and Partnership with CDSS

Humboldt County DHHS will collaborate with the State in the implementation of:

- Targeted program integrity mailings
- Worker training on uniformity and fraud detection and prevention
- Annual error rate studies
- Joint case reviews
- Development of quality assurance protocols and procedures
- Sharing of materials, protocols and procedures with other counties as directed by CDSS
- Creation of a CDSS Anti-Fraud liaison position to improve communication between the county and CDSS
- Generate outcome reports on all fraud investigated

Additionally, DHHS will collaborate with CDSS to resolve discrepancies identified in:

- Death Match Report
- Error Rate Studies
- Joint Case Reviews
- Unannounced Home Visits based on CDSS targeted mailings

Humboldt County DHHS will fully cooperate with CDSS in all anti-fraud activities and commits to reporting data regarding overpayments/underpayments and fraud referrals/outcomes by August 1, 2010.

Budget Justification
Humboldt County's Fraud Funding Plan for FY 2009-10.

Budget Section	Total
A. Personnel Costs (includes employee benefits)	\$ 61,081
B. Operating Expenses	\$ 3,150
C. Equipment Expenses	\$ 71,531
D. Travel/Per Diem and Training	\$ 11,200
E. Subcontracts and Consultants	\$ 1,385.00
F. Other Costs	\$ 0.00
G. Indirect Expenses	\$ 18,342
Total Expenses	\$ 166,689

A. Personnel Costs (including employee benefits)	Total Budget
Title: Welfare Investigator II - 1.0 FTE Salary Calculation: (Prorated for 5 months of FY) Salary (\$31,035) + Benefits (\$7,906) Duties Description: A dedicated IHSS Special Investigator works in state-of-the art Fraud unit. Investigates IHSS fraud. Works collaboratively with IHSS staff and overtime as needed. Utilizes connections with Departments of Justice and Homeland Security to identify and record all IHSS fraud. Works collaboratively with the District Attorney and local police and sheriff to bring fraud suspects to justice. Devotes 100 percent of time to Fraud Plan implementation and investigative activities.	\$ 38,941
Title: Senior Office Assistant - 1.0 FTE Salary Calculation: (Prorated for 5 months of FY) Salary (\$14,730) + Benefits (\$7,410) Duties Description: Signing up, live scanning, enrolling, data entry of SOC 426, SOC 846 forms and DOJ results of new and ongoing care providers. Conducting care provider orientations. Acts as the program's liaison/point of contact with the State for fraud-related issues. Assists staff in processing fraud referrals and in fraud reviews of IHSS cases. Assists in gathering, monitoring, and compilation of fraud-related data, such as cost savings and outcome measurements, and reporting such data to the State.	\$ 22,140
Title: Salary Calculation: Duties Description:	\$
Title: Salary Calculation: Duties Description:	\$
Title: Salary Calculation: Duties Description:	\$
Title:	\$

Salary Calculation:	
Duties Description:	
Total Personnel Costs:	\$ 61,081

B. Operating Expenses	Total Budget
Title: Cell Phone Fees	\$ 125
Description: WI's monthly cell phone fees at \$25 per month average. Prorated for five months of FY	
Title: Pepper Spray	\$ 25
Description: For WI's use, as needed, during fraud investigations	
Title: Miscellaneous Office Supplies for WI and IHSS, including Flyers, Posters, Informing Notices, Paper, Envelopes, and Postage	\$ 3,000
Description: To support IHSS staff and WI's fraud detection and prevention activities in providing anti-fraud Initiative information to recipients, care providers, and the community	
Total Operating Expenses:	\$ 3,150

C. Equipment Expenses	Total Budget
Title: 1) Video Camera (\$300)	\$ 3,250
2) Digital Audio Recorder (\$200)	
3) 1) Hand-held Digital Document Scanner (\$750)	
4) Telephone, Cell Phone, Computer, Software Licenses (\$2,000)	
Description: 1 & 2) For Welfare Investigator's (WI's) use during fraud investigations	
3) For IHSS staff to take on home visits & orientations for scanning documents	
4) For newly hired WI's use in the office and field	
Title: 1) 1 Vehicle, Equipped with Police Radio (\$24,000)	\$ 46,305
2) 1 Vehicle (\$20,805)	
3) 1 Laptop computer & software licensing fees (\$1,500)	
Description: 1) For WI's use in fraud-related activities, needed for increasing numbers of investigations	
2) For IHSS staff's use in anti-fraud activities, needed for increasing numbers of unannounced home visits	
3) For IHSS staffs' use in the field to document potential fraudulent activities	
Title: 1) Two Portable Live Scan Equipments (\$14,094)	\$ 21,976

<p>2) Two Annual Live Scan Maintenance, Hardware and Support Fees (\$1,042)</p> <p>3) 2 Secure File Cabinets (\$1,500)</p> <p>4) Projector, Screen, and Audio Equipment (\$2,000)</p> <p>5) Equipment and Supplies for WI: Computer, Software Licenses, Telephone, and Cell Phone (\$2,000), Locking File Cabinet (\$750), WI Badge (\$50), Ballistic Vest (\$500), Police Jacket (\$40)</p> <p>Description: 1) For IHSS staff to take on home visits and orientations to fingerprint recipients and care providers</p> <p>2) To support Live Scan maintenance fees</p> <p>3) To assure fraud-related care providers' confidential records are accessible by key only</p> <p>4) To be used during recipient and care provider orientations</p> <p>5) Newly hired WI's supplies and equipment to perform fraud investigation activities in the office and field</p>	
Total Equipment Expenses:	\$ 71,531

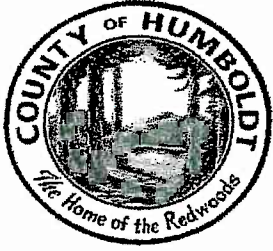
D. Travel/Per Diem and Training	Total Budget
<p>Title: Certification for 12 Live Scan Technicians</p> <p>Description: To certify IHSS staffs' use of Live Scan equipment</p>	\$ 1,200
<p>Title: In-House/Staff and Community Training (\$3,500)</p> <p>Description: Training will be provided by and to IHSS staff and by and to WI staff, in fraud prevention and detection, time sheet support, staff-specific training, and other related topics, such as dealing with difficult people.; includes materials, such as IHSS Uniformity Training. IHSS staff will provide fraud prevention and detection training to community members.</p> <p>Title: Travel & per Diem (\$2,500)</p> <p>Description: IHSS and WI staffs' travel expenses to and from training, including registration fees, transportation costs, and per diem expenses</p>	\$ 6,000
<p>Title: College of the Redwoods Police Academy</p> <p>Description: Required for WI to be hired. Includes registration fees, uniforms, boots, physical training clothing, ammunition, Health Fee, parking fee, books, defensive driving training, Force Option Simulator Training, etc.</p>	\$ 4,000
Total Travel/Per Diem and Training:	\$ 11,200

E. Subcontracts and Consultants	Total Budget
<p>Title: Mark Clementi, Santa Rosa</p> <p>Description: Hiring expense for a Psychological Evaluation</p>	\$ 585

Title: Dawson Polygraph	\$ 100
Description: Hiring expense for a Polygraph Examination	
Title: Manos Investigations/Humboldt Co. Sheriff Dept.	\$ 700
Description: Hiring expense for a Background Investigation	
Total Subcontracts and Consultants:	\$ 1,385

F. Other Costs	Total Budget
Title: (None)	\$
Description:	
Title:	\$
Description:	
Title:	\$
Description:	
Title:	\$
Description:	
Title:	\$
Description:	
Total Other Costs:	\$ 0.00

G. Indirect Expenses	Total Budget
Title: Annual Staff Overhead Costs	\$ 18,342
Description: An overhead ratio determined at 30% of total salaries and benefits based on County Expense Claim data for support staff costs, allocable operating costs, and EDP expenses.	
WI's overhead cost = \$11,682 + Sr. Office Assistant's overhead cost = \$6,642 for a total of \$18,324 (prorated for the five remaining months of the FY)	
Title:	\$
Description:	
Total Other Costs:	\$ 18,342



COUNTY OF HUMBOLDT

Department of Health & Human Services

Phillip R. Crandall, Director

SOCIAL SERVICES BRANCH

929 Koster Street Eureka, CA 95501

707.476.4700 Fax: 707.441.2096

Katherine Young, Director

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Children's Services
707.445.6180

Aid/Medical Food Stamps
707.445.6103

Adult Services/IHSS
707.476.2100

CatWORKs/Welfare to Work
707.268.3400

November 23, 2009

Carrie Stone
Manager QA Monitoring Unit,
California Department of Social Services, APB
744 P Street, MS 19-96
Sacramento, CA 95814

Re: Humboldt County In-Home Supportive Services
Enhanced Anti-Fraud Program Plan Proposal

Dear Ms: Stone:

Please find enclosed Humboldt County Department of Health and Human Services, Social Services Branch, In-Home Supportive Services Enhanced Anti-Fraud Program Plan Proposal, submitted to the Board of Supervisors on November 10, 2009, and approved and signed by the Chairperson of the Board.

If you have any questions, please contact me at (707) 475-4700.

Sincerely,

HUMBOLDT COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES

Katherine Young, Director
Social Services Branch

KY:jb
Enclosure

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Eureka, CA 95501

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